

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

FEB 19 1991

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK OIL, GAS & MINING			5. Lease Designation and Serial No. fee
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name
b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>			7. Unit Agreement Name
2. Name of Operator San Juan Minerals Exploration Co. 10970 Williams Ave. Bldg. 1A, 84222			8. Farm or Lease Name Goodridge
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 2039' FNL and 161' FWL At proposed prod. zone			9. Well No. Mexican Hat 410 91-7
14. Distance in miles and direction from nearest town or post office* 5 miles			11. 00, Sec., T., R., M., or Bk. and Survey or Area Sec 8 T 42S 19E
15. Distance from proposed location to nearest property or lease line, ft. 161' (Also to nearest drlg. line, if any)			12. County or Parrish San Juan
16. No. of acres in lease 285			13. State UT
17. No. of acres assigned to this well 2 1/2			
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. 250'			20. Rotary or cable tools rotary
19. Proposed depth 450'			21. Approx. date work will start* ASAP
21. Elevations (Show whether DF, RT, GR, etc.) 4164 ground			
23. PROPOSED CASING AND CEMENTING PROGRAM			
Size of Hole	Size of Casing	Weight per Foot	Setting Depth
9 7/8"	8 5/8"	24 pd	30'
7 1/4"	5 1/2"	17 pd	425'
			Quantity of Cement
			7 sacks
			25 sacks

Propose to drill and test.

Estimated depth of anticipated water or oil - 400'

Pressure equipment - none. Zone is shall<sup>clw</sup> and carries very little or no gas.

Circulating medium- air and foam.

No abnormal pressures or temperatures - no hydrogen sulfide

Jack Williams - 619 922 2222.

TECHNICAL REVIEW

Engineer SM 3-12-91Geol. SM 3-7-91Surface SM 3/1/91

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. I hereby certify that this report is true and complete to the best of my knowledge.

Secretary

Date 2-15-91

Signed

Title

(This space for Federal or State office use)

API NO.

Approval Date

Approved by

Title

Conditions of approval, if any:

APPROVED BY THE STATE  
OF UTAH  
DIVISION OF  
OIL, GAS, AND MINING

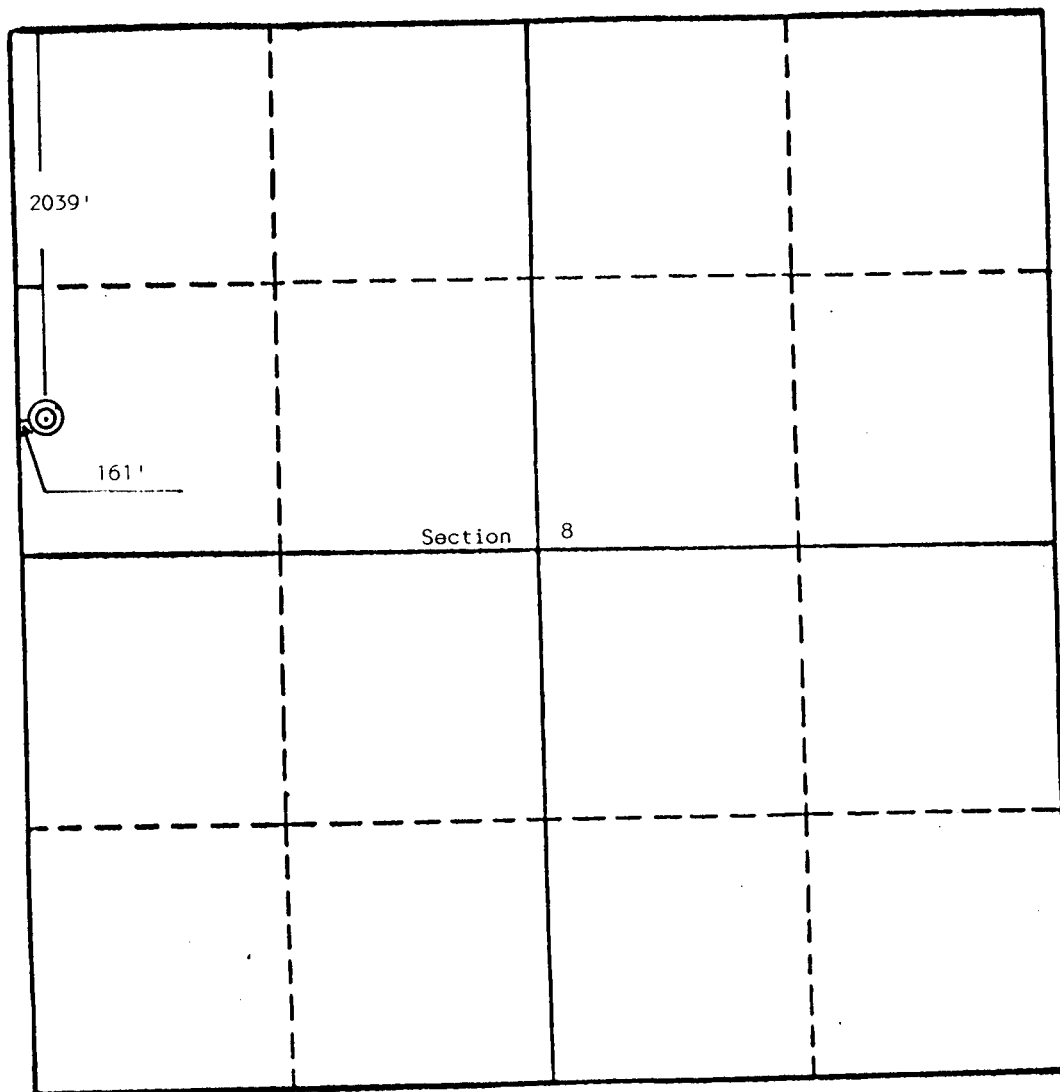
DATE: 3-12-91

BY: SM Matthews

WELL SPACING: 156-3

\*See Instructions On Reverse Side

Company San Juan Minerals and Exploration Company  
Well Name & No. 91-7  
Location 2039' F/NL 161' F/WL  
Sec. 8, T. 42 S., R. 19 E., S. L. M., County San Juan, Utah  
Ground Elevation 4164



Scale, 1 inch = 1,000 feet

Surveyed

February 7

19<sup>91</sup>

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:



Edgar L. Risenhoover

Edgar L. Risenhoover  
Registered Land Surveyor  
New Mexico Reg. No. 5979

Non-resident certification as  
authorized by Utah State Law  
58-22-21(b)

**DRILLING LOCATION ASSESSMENT**

**State of Utah  
Division of Oil, Gas and Mining**

OPERATOR: SAN JUAN MINERALS      WELL NAME: GOODRIDGE 91-7  
SECTION: 8      TWP: 42S    RNG: 19E    LOC: 2039    FNL 161    FWL  
QTR/QTR SW/NW COUNTY: SAN JUAN      FIELD: MEXICAN HAT  
SURFACE OWNER: GOODRICH ESTATE  
SPACING: UNRESTRICTED  
INSPECTOR: GLENN GOODWIN      DATE AND TIME: 2/25/91    9:25

**PARTICIPANTS:** George Petty-San Juan Minerals

**REGIONAL SETTING/TOPOGRAPHY:** Mexican Hat townsite. Gravel pit with deep wash to the southwest.

**LAND USE:**

CURRENT SURFACE USE: Gravel pit.

PROPOSED SURFACE DISTURBANCE: A 100'X 100' pad will be constructed.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA:

**ENVIRONMENTAL PARAMETERS**

**SURFACE GEOLOGY**

SOIL TYPE AND CHARACTERISTICS: Clayey sand and gravels.

SURFACE FORMATION & CHARACTERISTICS: Quaternary alluvium on Halgaito Shale.

EROSION/SEDIMENTATION/STABILITY: No active sedimentation or erosion at present.

PALEONTOLOGICAL POTENTIAL: None observed.

**SUBSURFACE GEOLOGY**

OBJECTIVES/DEPTHS: Goodridge sand.

ABNORMAL PRESSURES-HIGH AND LOW: None anticipated.

CULTURAL RESOURCES/ARCHAEOLOGY: NA

CONSTRUCTION MATERIALS: Onsite materials.

SITE RECLAMATION: As per landowner instructions.

RESERVE PIT

CHARACTERISTICS: A 20'X 20'X 5' reserve pit will be constructed.

LINING: None needed

MUD PROGRAM: Well is to be drilled with air and foam.

DRILLING WATER SUPPLY: Mexican Hat culinary water system.

STIPULATIONS FOR APD APPROVAL

A berm is to be placed on the southwest side of the location to protect the wash from runoff.

ATTACHMENTS

Photographs will be placed on file.

BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES  
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION )  
OF SAN JUAN MINERALS EXPLORATION )  
COMPANY FOR AN EXCEPTION TO THE )  
WILD CAT WELL SPACING PATTERN )  
ESTABLISHED BY RULE C-3, OF THE )  
GENERAL RULES AND REGULATIONS, )  
AND AMENDING PRIOR ORDERS OF THE )  
BOARD IN CAUSE NO. 156-1 TO GRANT )  
UNRESTRICTED SPACING IN CERTAIN )  
PORTIONS OF THE MEXICAN HAT AREA, )  
SAN JUAN COUNTY, STATE OF UTAH )

ORDER

CAUSE NO. 156-3 ✓

Pursuant to Notice of Hearing dated February 22, 1980, as amended, of the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, this Cause came on for hearing before Cleon B. Feight, acting as hearing examiner for the full Board, commencing at the hour of 9:00 a.m. on April 15, 1980, in the offices of the Division of Oil, Gas and Mining, 1588 West North Temple, Salt Lake City, Utah.

Appearing for the applicant was Anthony L. Rampton of the law firm of Fabian & Clendenin, Salt Lake City, Utah, and Robert Lauth, Certified Registered Geologist. Appearing on behalf of the Division of Oil, Gas and Mining were Denise Dragoo, Special Assistant, Utah Attorney General's Office, and Mike Minder, Petroleum Engineer.

NOW, THEREFORE, having considered the testimony presented to the hearing examiner and the exhibits received at said hearing, and being fully advised in the premises, and all persons appearing before the hearing examiner being in favor of the application, the Board now makes and enters the following:

FINDINGS OF FACT

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law and the rules and regulations of the Board.

2. The Board has jurisdiction over the matter covered by said Notice and over all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The principal producing sand or zone in this area is the ✓ Goodridge Sand producing from shallow sand and low pressure.

4. That there has been no systematic development through the Mexican Hat Area.

5. By Order entered in Cause No. 156-1 dated September 25, 1974, the Board established ✓ five-acre spacing for drilling wells and not less than ✓ two hundred feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location and not less than ✓ 330 feet from any producible oil well, unless otherwise specifically permitted by order of the Board after notice and hearing.

6. That the oil wells producing on tracts in Sections 31 and 32, Township 41 South, and Sections 4, 5, 6, 7 and 8, Township 42 South, Range 19 East, Salt Lake Meridian, San Juan County, State of Utah, are all producing from the ✓ Goodridge producing sand.

7. That the Goodridge formation is confined to certain pockets of permeability and <sup>porosity</sup> ~~perosity~~ requiring the drilling of holes in an irregular pattern in order to discover and drain all of the recoverable oil and associated hydrocarbons from said formation.

8. That in order to facilitate the location and commercial production of oil in this area, it is necessary to allow for an amendment to the Order in Cause No. 156-1 so as to permit the drilling of wells on ✓ unrestricted spacing in the aforestated sections.

#### O R D E R

##### IT IS THEREFORE ORDERED:

A. That an exception is hereby granted to the provisions of Rule C-3, General Rules and Regulations, Division of Oil, Gas

and Mining, so as to permit the drilling of wells on unrestricted spacing to best accommodate the prevention of waste and protection of correlative rights in the development of the field and to maximize ultimate future recovery of oil and associated hydrocarbons insofar as and only insofar as the Goodridge Formation in Sections 31 and 32, Township 41 South, and Sections 4, 5, 6, 7 and 8, Township 42 South, Range 19 East, Salt Lake Meridian, San Juan County, State of Utah, and the Order of this Board in Cause No. 156-1 is hereby amended accordingly.

B. It is further Ordered that no well in said Sections shall be drilled less than 50 feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarters section or equivalent lot or lots of comparable size unless otherwise specifically permitted by order of the Board after notice and hearing.

C. That this Order is a temporary order and the Board, on its own motion or the motion of any interested party, may file an application requesting a hearing to present new evidence covering the matter set forth herein.

D. That the Board retains continuing jurisdiction of all matters covered by this Order and particularly retains continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable regulations.

ENTERED AND EFFECTIVE this 15<sup>th</sup> day of April, 1980.

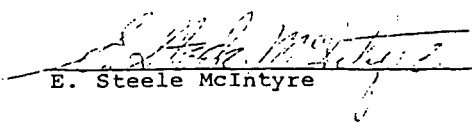
BOARD OF OIL, GAS AND MINING OF  
THE STATE OF UTAH

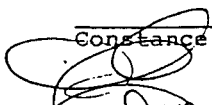
\_\_\_\_\_  
Charles R. Henderson

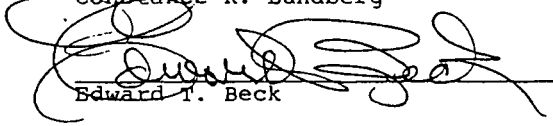
\_\_\_\_\_  
John L. Bell

\_\_\_\_\_  
Thadeus W. Box

\_\_\_\_\_  
C. Ray Juvelin

  
E. Steele McIntyre

  
Constance K. Lundberg

  
Edward T. Beck

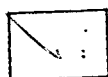


OPERATOR Van Tien Minerals N 0810 DATE 3-11-91  
WELL NAME Goodridge 91.7  
SEC S4NW 8 T 42S R 19E COUNTY Van Tien

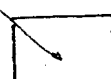
43-037-31W13  
API NUMBER

fee (4)  
TYPE OF LEASE

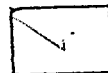
CHECK OFF:



PLAT.



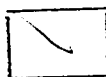
BOND  
440E807A  
50.000



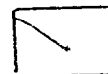
NEAREST  
WELL



LEASE



FIELD  
SLBM



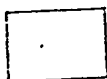
POTASH OR  
OIL SHALE

PROCESSING COMMENTS:

Cause shows constructed spacing  
water permit  
Permit 3-1-91 / (Geology subm)

APPROVAL LETTER:

SPACING:



R615-2-3

N/A

UNIT



R615-3-2



156 3 4-15-80  
CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

fee  
water permit  
1. A Berm is to be placed on the southwest  
side of the location to protect the wash from  
runoff.



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

March 12, 1991

San Juan Minerals Exploration Company  
10970 Williams Ave.  
Blythe, California 92225-9414

Gentlemen:

Re: Goodridge 91-7 Well, 2039 feet from the North line, 161 feet from the West line, SW NW, Section 8, Township 42 South, Range 19 East, San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with the Order in Cause No. 156-3 dated April 15, 1980 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Utah Code Ann. Section 73-3, Appropriation.
2. San Juan Minerals Exploration Company, as designated operator, is the bonded principal in reference to this Application for Permit to Drill. Should this designation change or a transfer of ownership occur, liability will remain with the designated operator until the Division is notified by letter of a new bonded principal.
3. A berm is to be placed on the southwest side of the location to protect the wash from runoff.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.

Page 2  
San Juan Minerals Exploration Company  
Goodridge 91-7  
March 12, 1991

3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.
6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of Drinking Water/Sanitation, telephone (801) 538-6159.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31613.

Sincerely,



R. J. Firth  
Associate Director, Oil & Gas

tas  
Enclosures  
cc: Bureau of Land Management  
J. L. Thompson  
we14/1-44

DIVISION OF OIL, GAS AND MINING

API NO. 43-037-31613

SPUDDING INFORMATION

NAME OF COMPANY: SAN JUAN MINERALS

WELL NAME: GOODRIDGE 91-7

SECTION SWNW 8 TOWNSHIP 42S RANGE 19E COUNTY SAN JUAN

DRILLING CONTRACTOR GEORGE PETTY

RIG # 1

SPUDDED: DATE 5/3/91

TIME 9:00 a.m.

How ROTARY

DRILLING WILL COMMENCE 5/3/91

REPORTED BY MRS. PETTY

TELEPHONE #

DATE 5/6/91 SIGNED TAS (BRAD)

OPERATOR San Juan Minerals Exploration Co. OPERATOR ACCT. NO. N 0810  
 ADDRESS 10970 Williams Ave  
Blythe, CA 92225

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11206	43 037 31609	<del>XXXXXXXXXXXX</del> Goodridge #91-10		7	42S	19E	San Juan	4-15-91	

LL 1 COMMENTS:

If possible we would appreciate the Entity No. 11206. This is an Entity No. assigned to well #91-2 and #91-10 will empty into the same production tank.

A	99999	11206	43 037 31614	Goodridge #91-4		7	42S	19E	San Juan	3-12-91	
---	-------	-------	--------------	-----------------	--	---	-----	-----	----------	---------	--

LL 2 COMMENTS:

We request Entity No. 11206 for this well. Same explanation as above.

A	99999	11206	43 037 31613	Goodridge#91-7		8	42s	19E	San Juan	5-3-91	
---	-------	-------	--------------	----------------	--	---	-----	-----	----------	--------	--

LL 3 COMMENTS:

We request Entity No. 11206 for this well. Same reason as above.

--	--	--	--	--	--	--	--	--	--	--	--

LL 4 COMMENTS:

(Entity 11206 added for each well on 5-21-91) *LR*

--	--	--	--	--	--	--	--	--	--	--	--

LL 5 COMMENTS:

ION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

E: Use COMMENT section to explain why each Action Code was selected.

RECEIVED

MAY 16 1991

DIVISION OF  
OIL GAS & MINING

Signature *Joe Johnson*  
 Title Secretary Date 5-13-91  
 Phone No. 619,922-2278

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7 (1/89)

RECEIVED  
MAY 16 1991

DIVISION OF  
OIL GAS & MINING

1. Well name and number: Goodridge #91-7  
API number: 43 037 31613
2. Well location: QQ        section 8 township 42S range 19E county San Juan
3. Well operator: San Juan Minerals Exploration Co.  
Address: 10970 Williams Ave phone 619 922 2278  
Blythe, CA 92225
4. Drilling contractor: A-1 Drilling  
Address: Box 504 phone 801 678 2535  
Blanding, UT 84511

5. Water encountered (continue on reverse side if necessary)

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
0	160	5 G PM	Salty

6. Formation tops: goodridge Top 400 ft
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I certify that this report is true and complete to the best of my knowledge.

Name Jill Johnson Signature Jill Johnson  
Title Sec Date 5-15-91

Comments:

STATE OF UTA  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO.	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR San Juan Minerals Exploration Co.		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 10970 Williams Ave Blythe CA 92225		8. FARM OR LEASE NAME Goodridge	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 2039 FNL and 161' FWL At top prod. interval reported below At total depth		9. WELL NO. Goodridge 91-7	
14. PERMIT NO. 43 037 31613		13. STATE UT	
DATE ISSUED 3-12-91		10. FIELD AND POOL, OR WILDCAT undesignedated	
15. DATE SPUDDED 5-2-91		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA SW NW Sec 8 42S R19E	
16. DATE T.D. REACHED 5-10-91		12. COUNTY OR PARISH San Juan	
17. DATE COMPL. (Ready to prod.) 5-10-91		13. STATE UT	
18. ELEVATIONS (OF. RES. RT. GR. ETC.)* 4164 gr		19. ELEV. CASINGHEAD 4165 gr	
20. TOTAL DEPTH, MD & TVD 400'		21. PLUG. BACK T.D., MD & TVD n/a	
22. IF MULTIPLE COMPL., HOW MANY* n/a		23. INTERVALS DRILLED BY Surface to TD	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 400' Goodridge		25. WAS DIRECTIONAL SURVEY MADE no	
26. TYPE ELECTRIC AND OTHER LOGS RUN none		27. WAS WELL CORED. no	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
5 5/8"	14#	300	7 7/8
CEMENTING RECORD		AMOUNT PULLED	
50 sacks		n/a	
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SCREEN (MD)
none			
30. TUBING RECORD		PACKER SET (MD)	
SIZE	DEPTH SET (MD)	350	
2 3/8	400		
31. PERFORATION RECORD (Interval, size and number)			
not applicable			
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
not applicable			
33. PRODUCTION			
DATE FIRST PRODUCTION 5-10-91		WELL STATUS (Producing or shut-in) producing	
PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)		GAS-OIL RATIO	
		none	
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PROD'N. FOR TEST PERIOD
			3
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.
			38
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)		TEST WITNESSED BY George Petty	
35. LIST OF ATTACHMENTS			
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED		DATE	
[Signature]		5-13-91	
TITLE		Secretary	

(See Instructions and Spaces for Additional Data on Reverse Side)

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, whether the land is owned by the United States, a Federal agency, or a State agency. The form is also used for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, whether the land is owned by the United States, a Federal agency, or a State agency.

[illegible][illegible]

should be listed on this form, see item 4. If there are no applicable State requirements, locations on Federal or Indian lands should be listed on this form and in any attachments.

[illegible]

**Notes:** 18: Indicate which elevation is used as reference (where not otherwise shown). 19: Submit a separate report (page) on this form, adequately identified, for Federal Office for Operation Research (multiple completion), so state in item 24, and in item 25. 20: Submit a separate report (page) on this form, adequately identified, for separate production from more than one interval zone (multiple completion), so state in item 24, and in item 25. 21: Submit a separate report (page) on this form, adequately identified, for only the interval reported in item 33. 22: Submit a separate report (page) on this form, adequately identified, for items 77 and 74: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 24, and in item 25.

items 21 and 24: If this well is completed for separate purposes, submit a separate report for only the interval reported in item 30. If this well is completed for additional data pertinent to such interval, (if any) for bottom(s) and name(s) of the location of the cementing tool.

[illegible]

for each additional interval to be separately produced, showing the details of any multiple stage commencing at the end of the interval to be separately produced. (See instruction for items 22 and 24 above.)

for each additional item. (See instruction for items 22 and 23 above.)

29: "Sacks Cement". Attached supplemental records for this well should show the interval to be separately produced.

31: Submit a separate completion report on this form for each interval to be separately produced.

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES				38. GEOLOGIC MARKERS			
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
Goodridge	350	400	White limestone with very low porosity	not applicable			

RECEIVED  
 MAY 16 1991  
 DIVISION OF  
 OIL GAS & MINING





State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

February 20, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 4941

Clint Howell  
San Juan Minerals Exploration  
P.O. Box 310367  
Mexican Hat, Utah 84531

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Howell:

San Juan Minerals Exploration, as of February 2004, has sixteen (16) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2  
February 20, 2004  
Clint Howell

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

jc  
cc: John Baza  
Well File

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	Nordeen 80.6	43-037-30585	Fee	1 Year 5 months
2	Nordeen 80.7	43-037-30584	Fee	1 Year 5 months
3	J&L 3-X	43-037-31669	Fee	6 Years 5 Months
4	Goodridge 91-2	43-037-31605	Fee	7 Years 4 Months
5	Goodridge 91-12	43-037-31637	Fee	7 Years 5 Months
6	Goodridge 91-16	43-037-31634	Fee	7 Years 5 Months
7	Goodridge 1	43-037-31647	Fee	7 Years 6 Months
8	Goodridge 91-7	43-037-31613	Fee	7 Years 6 Months
9	Goodridge 81-3	43-037-30960	Fee	8 Years 3 Months
10	Goodridge 91-4	43-037-31614	Fee	8 Years 3 Months
11	J&L 3	43-037-31207	Fee	10 Years 7 Months
12	Crossing No 28	43-037-31445	Fee	10 Years 9 Months
13	Crossing No 212	43-037-31446	Fee	10 Years 9 Months
14	Goodridge 92-3	43-037-31652	Fee	10 Years 9 Months
15	Nordeen 3	43-037-30149	Fee	10 Years 9 Months
16	Nordeen 5	43-037-20722	Fee	10 Years 9 Months

Attachment A



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

February 20, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 4941

Clint Howell  
San Juan Minerals Exploration  
P.O. Box 310367  
Mexican Hat, Utah 84531

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. Howell:

San Juan Minerals Exploration, as of February 2004, has sixteen (16) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2  
February 20, 2004  
Clint Howell

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

jc  
cc: John Baza  
Well File

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	Nordeen 80.6	43-037-30585	Fee	1 Year 5 months
2	Nordeen 80.7	43-037-30584	Fee	1 Year 5 months
3	J&L 3-X	43-037-31669	Fee	6 Years 5 Months
4	Goodridge 91-2	43-037-31605	Fee	7 Years 4 Months
5	Goodridge 91-12	43-037-31637	Fee	7 Years 5 Months
6	Goodridge 91-16	43-037-31634	Fee	7 Years 5 Months
7	Goodridge 1	43-037-31647	Fee	7 Years 6 Months
8	Goodridge 91-7	43-037-31613	Fee	7 Years 6 Months
9	Goodridge 81-3	43-037-30960	Fee	8 Years 3 Months
10	Goodridge 91-4	43-037-31614	Fee	8 Years 3 Months
11	J&L 3	43-037-31207	Fee	10 Years 7 Months
12	Crossing No 28	43-037-31445	Fee	10 Years 9 Months
13	Crossing No 212	43-037-31446	Fee	10 Years 9 Months
14	Goodridge 92-3	43-037-31652	Fee	10 Years 9 Months
15	Nordeen 3	43-037-30149	Fee	10 Years 9 Months
16	Nordeen 5	43-037-20722	Fee	10 Years 9 Months

Attachment A

# SAN JUAN MINERALS EXPLORATION INC.

Hwy 163 / Riverview Dr.  
P.O. Box 310367  
Mexican Hat, Utah 84531

Ph. 435-683-2263  
Fax: 435-683-3398  
E-mail: chlsj@yahoo.com

Dustin K Doucet  
State of Utah  
Division of Oil Gas and Mining  
1894 West North Temple Suite 1210  
P.O. Box 145801  
Salt Lake City, UT. 84114-5801

2004-03-16

RECEIVED

MAR 19 2004

DIV. OF OIL, GAS & MINING

RE: Letter, February 20, 2004  
Extended Shut-in and Temporary Abandoned Wells.

Dear Mr. Doucet:

As per Our Discussion,  
Plan of action as follows,

Proposed Work to be Completed in 2004

#1	Nordeen	80.6	43-037-30585	Workover-Reproduce	
2	Nordeen	80.7	43-037-30584	Workover-Reproduce	
3	J&L	3-X	43-037-31669	Plug & Abandon	
4	Goodridge	91-2	43-037-31605	Workover -Reproduce	Possibly plug & abandon
5	Goodridge	91-12	43-037-31637	Workover-Reproduce	Possibly plug & abandon
6	Goodridge	91-16	43-037-31634	Workover-Reproduce	Possibly plug & abandon
7	Goodridge	1	43-037-31647	Workover-Reproduce	Possibly plug & abandon
8	Goodridge	91-7	43-037-31613	Workover-Reproduce	Possibly plug & abandon
9	Goodridge	81-3	43-037-30960	Workover-Reproduce	Possibly plug & abandon
10	Goodridge	91-4	43-037-31614	Workover-Reproduce	Possibly plug & abandon
11	J & L	3	43-037-31207	Plug & Abandon	
12	Crossing	No 28	43-037-31445	Plug & Abandon	
13	Crossing	No 212	43-037-31446	Plug & Abandon	
14	Goodridge	92-3	43-037-31652	Plug & Abandon	
15	Nordeen	3	43-037-30149	Plug & Abandon	
16	Nordeen	5	43-037-20722	Plug & Abandon	

Sincerely,

Clint Howell

Manager

San Juan Minerals Exploration Inc.



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

March 19, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6440

Mr. Clint Howell  
San Juan Minerals Exploration, Inc.  
Hwy 163 / Riverview Drive  
P.O. Box 310367  
Mexican Hat, Utah 84531

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated February 20, 2004.

Dear Mr. Howell,

The Division of Oil, Gas and Mining (DOGM) is in receipt of your letter dated March 16, 2004 in regards to the sixteen (16) shut-in wells operated by San Juan Minerals Exploration, Inc. (San Juan). DOGM accepts San Juan's plan of action to plug and abandon seven (7) of the wells and recomplete nine (9) of the wells during calendar year 2004. Based upon the plan of action and other information provided, DOGM approves the sixteen wells for extended shut-in until January 1, 2005. Please submit re-completion and plugging procedures with notice of intent sundries upon finalization.

For reference, Attachment A lists the wells subject to the request. If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

A handwritten signature in black ink, appearing to read "Dustin Doucet".

Dustin Doucet  
Petroleum Engineer



	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	Nordeen 80.6	43-037-30585	Fee	1 Year 5 months
2	Nordeen 80.7	43-037-30584	Fee	1 Year 5 months
3	J&L 3-X	43-037-31669	Fee	6 Years 5 Months
4	Goodridge 91-2	43-037-31605	Fee	7 Years 4 Months
5	Goodridge 91-12	43-037-31637	Fee	7 Years 5 Months
6	Goodridge 91-16	43-037-31634	Fee	7 Years 5 Months
7	Goodridge 1	43-037-31647	Fee	7 Years 6 Months
8	Goodridge 91-7	43-037-31613	Fee	7 Years 6 Months
9	Goodridge 81-3	43-037-30960	Fee	8 Years 3 Months
10	Goodridge 91-4	43-037-31614	Fee	8 Years 3 Months
11	J&L 3	43-037-31207	Fee	10 Years 7 Months
12	Crossing No 28	43-037-31445	Fee	10 Years 9 Months
13	Crossing No 212	43-037-31446	Fee	10 Years 9 Months
14	Goodridge 92-3	43-037-31652	Fee	10 Years 9 Months
15	Nordeen 3	43-037-30149	Fee	10 Years 9 Months
16	Nordeen 5	43-037-20722	Fee	10 Years 9 Months

Attachment A

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: San Juan Minerals Exploration Inc. <i>N0810</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Hwy 163 P.O. Box 310367 Mexican Hat Ut 84531		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (435) 683-2298		8. WELL NAME and NUMBER: see attached list
4. LOCATION OF WELL FOOTAGES AT SURFACE:		9. API NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL OR WILDCAT: Mexican Hat
		COUNTY: San Juan
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>change of operator</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

San Juan Minerals Exploration Inc. is transferring operation of its oil wells in San Juan County at Mexican Hat, (see attached List) To: Wesgra Corporation P.O. Box 310367 Mexican Hat Ut. 84531.  
Wesgra Corporation Is Bonded By Letter of credit # 7230.  
Would like to make this change effective as of April 30 2006

Wesgra Corporation:  
by: Clint Howell

President *N1060*

April /20/ 2006

NAME (PLEASE PRINT) Clint Howell

TITLE President

SIGNATURE *Clint Howell*

DATE 4/20/2006

(This space for State use only)

APPROVED *513106*  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED  
APR 24 2006

DIV. OF OIL, GAS & MINING

San Juan Minerals (N0810) to Wesgra Corporation (N1060)

well name	api	qtr qtr	sec	twsp	rng	well	stat	l num
GEBAUER FEDERAL 2	4303730190	SENE	07	420S	190E	OW	S	UTU-7303
SUTHERLAND FEDERAL 97-4	4303731784	NESW	05	420S	190E	OW	S	UTU-7303D
NORDEEN 1	4303720721	NENW	05	420S	190E	OW	S	FEE
NORDEEN 5	4303720722	SWNW	05	420S	190E	OW	P	FEE
NORDEEN 3	4303730149	NENW	05	420S	190E	OW	P	FEE
WILM RNCH GDRDGE 12	4303730432	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 74	4303730526	NWNW	08	420S	190E	OW	S	FEE
GOODRIDGE 75	4303730527	NWNW	08	420S	190E	OW	S	FEE
GOODRIDGE 80.2	4303730561	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 80.3	4303730562	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 80.4	4303730563	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 80.1	4303730570	NWNW	08	420S	190E	OW	S	FEE
NORDEEN 80.7	4303730584	SESW	05	420S	190E	OW	P	FEE
NORDEEN 80.6	4303730585	SESW	05	420S	190E	OW	S	FEE
GOODRIDGE 80.5	4303730680	NWNW	08	420S	190E	OW	P	FEE
NORDEEN 81-4	4303730957	SWSW	05	420S	190E	OW	S	FEE
NORDEEN 81-5	4303730958	SWSW	05	420S	190E	OW	S	FEE
GOODRIDGE 81-3	4303730960	SENE	07	420S	190E	OW	S	FEE
J & L 3	4303731207	NWSW	06	420S	190E	OW	TA	FEE
NORDEEN 86-6	4303731254	SENE	05	420S	190E	OW	S	FEE
GOODRIDGE 91-2	4303731605	SENE	07	420S	190E	OW	S	FEE
GOODRIDGE 91-7	4303731613	SWNW	08	420S	190E	OW	S	FEE
GOODRIDGE 91-16	4303731634	NENE	07	420S	190E	OW	S	FEE
GOODRIDGE 91-12	4303731637	NENE	07	420S	190E	OW	S	FEE
GOODRIDGE 1	4303731647	SENE	07	420S	190E	OW	S	FEE
J&L 3-X	4303731669	NESW	06	420S	190E	OW	S	FEE
DICKENSON/HOWARD 1	4303731845	NWSW	05	420S	190E	OW	NEW	FEE
UTAH 1	4303730101	NWSW	07	420S	190E	OW	PA	FEE
NELWYN A NORDEEN 2	4303730104	SENE	05	420S	190E	OW	PA	FEE
NELWYN NORDEEN 3	4303730108	SENE	05	420S	190E	OW	PA	FEE
NORDEEN 1A	4303730128	NENW	06	420S	190E	OW	PA	FEE
NORDEEN 2-A	4303730161	NENW	06	420S	190E	OW	PA	FEE
NORDEEN 7	4303730194	NENW	05	420S	190E	OW	PA	FEE
NORDEEN 11	4303730480	SWSW	05	420S	190E	D	PA	FEE
NORDEEN 80.13	4303730581	SESW	05	420S	190E	D	PA	FEE
GOODRIDGE 81-1	4303730961	SWNW	08	420S	190E	OW	PA	FEE
GOODRIDGE 71	4303730968	NWNW	08	420S	190E	D	PA	FEE
NORDEEN 86-4	4303731253	SENE	05	420S	190E	D	PA	FEE
NORDEEN 86-8	4303731255	SWNE	05	420S	190E	OW	PA	FEE
NORDEEN 86-10	4303731256	SENE	05	420S	190E	OW	PA	FEE
CROSSING NO 2 8	4303731445	SWSE	07	420S	190E	OW	PA	FEE
CROSSING NO 2 12	4303731446	SWSE	07	420S	190E	OW	PA	FEE
GOODRIDGE 91-10	4303731609	NENE	07	420S	190E	OW	PA	FEE
GOODRIDGE 91-5	4303731611	SENE	07	420S	190E	D	PA	FEE
GOODRIDGE 91-4	4303731614	SENE	07	420S	190E	OW	PA	FEE
GOODRIDGE 2	4303731640	NWNW	08	420S	190E	OW	PA	FEE
GOODRIDGE 92-3	4303731652	NWNE	07	420S	190E	OW	PA	FEE

## OPERATOR CHANGE WORKSHEET

## ROUTING

1. DJJ

## 2. CDW

### Change of Operator (Well Sold)

### Designation of Agent/Operator

## X Operator Name Change

## Merger

The operator of the well(s) listed below has changed, effective:

**4/30/2006**

**FROM:** (Old Operator):

**TO:** ( New Operator):

**N0810-San Juan Minerals Exploration Inc.**

**N1060-Wesgra Corporation**

Hwy 163 PO Box 310367

PO Box 310367

Mexican Hat, UT 84531

Mexican Hat, UT 84531

**Phone: 1-(435) 683-2298**

**Phone: 1-(435) 683-2298**

CA No.

Unit:

**WELL(S)**

[illegible]

## OPERATOR CHANGES DOCUMENTATION

**Enter date after each listed item is completed**

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 4/24/2006
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 4/24/2006

3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 4/26/2006
4. Is the new operator registered in the State of Utah: YES Business Number: 670418-0142
5. If **NO**, the operator was contacted contacted on:

- |   |   |
|---|---|
| 6a. (R649-9-2)Waste Management Plan has been received on:     | <u>requested 4/26</u>                     |
| 6b. Inspections of LA PA state/fee well sites complete on:    | <u>moving PA fee wells to new company</u> |
| 6c. Reports current for Production/Disposition & Sundries on: | <u>5/1/2006</u>                           |

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: not yet

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 5/3/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/3/2006
3. Bond information entered in RBDMS on: 5/3/2006
4. Fee/State wells attached to bond in RBDMS on: 5/3/2006
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: merger

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number:

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: n/a

**FEE & STATE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 007230
2. The **FORMER** operator has requested a release of liability from their bond on: 4/24/2006  
The Division sent response by letter on: moving PA fee wells to new company

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/4/2006

**COMMENTS:**



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil Gas and Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

September 29, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6398

Mr. Clint Howell  
Wesgra Corporation  
P.O. Box 310367  
Mexican Hat, UT 84531

43 037 31613  
Goodridge 91-7  
42S 19E 8

Re: Second Notice of Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

Dear Mr. Howell:

Wesgra Corporation ("Wesgra") has sixteen (16) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in and temporary abandonment (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

This is a second notice of non-compliance for wells 1 through 12 listed on Attachment A. For wells 1 through 10, the Division notified you (under operator name San Juan Minerals) on several occasions by certified mail about these wells non-compliance issues. Plans to PA or re-complete these wells were submitted, but no action has been taken to date. For wells 11 and 12, Wesgra was notified through certified mail dated April 16, 2004, and again in a response dated July 21, 2004. In the response, it was understood that Wesgra planned to workover these wells. The Division feels that sufficient time has passed to perform necessary work to put these in to production or to PA. Please submit your plans to produce or plug these wells. If this is not addressed within 30 days, a Notice of Violation will be issued for these wells. A similar response is required for the other four wells listed on Attachment A.



Page 2  
September 29, 2008  
Mr. Howell

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3)

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

JP/js  
Enclosure

cc: Compliance File  
Well File

# Attachment A

	Well Name	API	Lease Type	Years Inactive
1	NORDEEN 5	43-037-20722	FEE	2 Years 8 Months
2	NORDEEN 3	43-037-30149	FEE	2 Years 8 Months
3	GOODRIDGE 81-3	43-037-30960	FEE	12 Years
4	J & L 3	43-037-31207	FEE	21 Years 6 Months
5	GOODRIDGE 91-2	43-037-31605	FEE	12 Years
6	GOODRIDGE 91-7	43-037-31613	FEE	12 Years
7	GOODRIDGE 91-16	43-037-31634	FEE	12 Years
8	GOODRIDGE 91-12	43-037-31637	FEE	12 Years
9	GOODRIDGE 1	43-037-31647	FEE	12 Years
10	J & L 3-X	43-037-31669	FEE	21 Years 6 Months
11	WESGRA 8-2	43-037-30529	FEE	12 Years
12	WESGRA 8-1	43-037-31451	FEE	12 Years
13	SAN JUAN FED 3	43-037-30420	FEE	2 Years 2 Months
14	SAN JUAN TRACT 4-2X	43-037-30733	FEE	1 Year 10 Months
15	NORDEEN 81-5	43-037-30958	FEE	4 Years 5 Months
16	NORDEEN 86-6	43-037-31254	FEE	2 Years 1 Month



**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1 TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>FEE</b>
2 NAME OF OPERATOR <b>San Juan Minerals / Wesgra corporation</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3 ADDRESS OF OPERATOR P.O. Box 310367 Mexican Hat, Ut 84531		7 UNIT or CA AGREEMENT NAME
4 LOCATION OF WELL FOOTAGES AT SURFACE: 2039' FNL, 161' FWL		8 WELL NAME and NUMBER <b>Goodridge 91 - 7</b>
PHONE NUMBER (435) 683-2263		9. API NUMBER <b>43037316 13</b>
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN. <b>SWNW 8 42S 19E S</b>		10. FIELD AND POOL OR WILDCAT <b>Mexican Hat</b>
COUNTY <b>San Juan</b>		STATE <b>UTAH</b>

## 11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <b>11/15/2008</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDE TRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATION CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Propose to fill from TD to surface with cement slurry

COPY SENT TO OPERATOR

Date: **11.25.2008**Initials: **KS**

NAME (PLEASE PRINT) **Clint Howell** TITLE **Manager**  
SIGNATURE *Clint Howell* DATE **10/27/2008**

(This space for State use only)

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

(5/2000)

(See Instructions on Reverse Side)

DATE: **11/19/08**BY: *D. Kettle*

\* Contact Bart Kettle @ 435-820-0862  
prior to commencing work

RECEIVED

NOV 04 2008

DIV. OF OIL, GAS &amp; MINING

11/19/2008

## Wellbore Diagram

r263

API Well No: 43-037-31613-00-00

Permit No:

Well Name/No: GOODRIDGE 91-7

Company Name: WESGRA CORPORATION

Location: Sec: 8 T: 42S R: 19E Spot: SWNW

Coordinates: X: 601801 Y: 4112118

Field Name: MEXICAN HAT

County Name: SAN JUAN

## String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOLI	400	7.875		
SURF	300	5.5	14	

Capacity  
(ft/cf)

7.299

7 7/8" (108)

2.4434

## Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
SURF	300	0	UK	50

## Perforation Information

Plug # 1  
 $0.4 \times 100' / (1.15) (2.4434) = 36.5x$   
 $5 \frac{1}{2}" \quad 300' / (1.15) (7.299) = 36.5x$   
72.5x total reqd. ✓ ok

Surface: 5.5 in. @ 300 ft.

## Formation Information

Formation	Depth
GDRSD	350

Hole: 7.875 in. @ 400 ft.

TD:

400 TVD:

PBTD:



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

March 3, 2009

CERTIFIED MAIL NO.: 7004 1160 0003 0190 2549

Mr. Clint Howell  
Wesgra Corporation  
P.O. Box 310367  
Mexican Hat, UT 84531

43 037 31613  
Goodridge 91-7  
42S 19E 8

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Howell:

As of January 2009, Wesgra Corporation (Wesgra) has ten (10) Fee Lease Wells (see attachment A) that have recently been added as being in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

The Utah Division of Oil, Gas & Mining (Division) also wishes to remind Wesgra of the other outstanding wells that are past due in their non-compliance issues and PA proposals as previously addressed in numerous communications with Wesgra. Most recently a letter sent via certified mail September 29, 2008. Please respond to this matter within 30 days or a Notice of Violation may be issued on these wells (attachment A).

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT



Page 2  
Wesgra Corporation  
March 3, 2009

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

DKD/JP/js  
Enclosure  
cc: Compliance File  
Well File

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

# ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
<b>FIRST NOTICE</b>				
1	SAN JUAN FED 8	43-037-30528	FEE	1 year
2	GOODRIDGE 80.1	43-037-30570	FEE	1 year 1 month
3	SAN JAUN FED 10	43-037-30836	FEE	1 year
4	SAN JUAN FED 11	43-037-30837	FEE	1 year
5	GOODRIDGE ESTATE 21	43-037-31344	FEE	1 year
6	GOODRIDGE ESTATE 22-A	43-037-31352	FEE	1 year
7	GOODRIDGE ESTATE 24	43-037-31354	FEE	1 year
8	GOODRIDGE TRUST 21B	43-037-31703	FEE	1 year
9	GOODRIDGE TRUST 24A	43-037-31713	FEE	1 year
10	GOODRIDGE TRUST 96-1	43-037-31782	FEE	1 year
<b>PENDING NOTICE OF VIOLATION</b>				
	WESGRA 8-1	43-037-31451	FEE	12 years 5 months
	WESGRA 8-2	43-037-30529	FEE	12 years 4 months
	GOODRIDGE 91-2	43-037-31605	FEE	12 years 5 months
	GOODRIDGE 91-12	43-037-31637	FEE	12 years 5 months
	GOODRIDGE 1	43-037-31647	FEE	12 years 5 months
	GOODRIDGE 91-7	43-037-31613	FEE	12 years 5 months
	J&L 3-X	43-037-31669	FEE	20 years 11 months
	GOODRIDGE 81-3	43-037-30960	FEE	11 years 5 months
	J&L 3	43-037-31207	FEE	21 years 11 months
	NORDEEN 5	43-037-20722	FEE	3 years 1 month
	NORDEEN 3	43-037-30149	FEE	3 years 1 month
<b>SECOND NOTICE</b>				
	NORDEEN 81-5	43-037-30958	FEE	4 years 10 months
	SAN JUAN FED 3	43-037-30420	FEE	2 years 7 months
	SAN JUAN TRACT 4-2X	43-037-30733	FEE	2 years 3 months
	NORDEEN 86-6	43-037-31254	FEE	2 years 6 months

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, re-enter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL		5. LEASE DESIGNATION AND SERIAL NUMBER	
OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		FEE	
2. NAME OF OPERATOR		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
San Juan Minerals / Wesgra Corporation		7. UNIT or CA AGREEMENT NAME	
3. ADDRESS OF OPERATOR		8. WELL NAME and NUMBER	
P.O. Box 310367		Goodridge - 91- 7	
CITY Mexican Hat	STATE UT ZIP 84531	9. API NUMBER	
PHONE NUMBER: (435) 683-2263		4303731613	
4. LOCATION OF WELL		10. FIELD AND POOL, OR WILDCAT	
FOOTAGES AT SURFACE 2039 FNL 161 FWL		Mexican Hat	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN SWNW 8" 42S 19E 'S		COUNTY San Juan	
STATE UTAH			

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS Clearly show all pertinent details including dates, depths, volumes, etc

Had sent in Sundry Notice to Plug an Abandon.

I have cleaned out this well and am producing a little oil from it again

would like to keep it open & produce it for the time being

Thank You:  
Clint Howell

NAME (PLEASE PRINT) <u>Clint Howell</u>	TITLE <u>Manager</u>
SIGNATURE <u><i>Clint Howell</i></u>	DATE <u>5/26/2009</u>

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

**RECEIVED**  
**MAY 27 2009**  
 DIV. OF OIL, GAS & MINING